seas of the Reliance World Cup Cricket Tournament vest Jointly in the Board of Control for Cricket in Pakistan.

(b) and c) Do not arise.

Affairs of Mazagaon Dock Limited

662. SHRI BIR BHADRA PRATAP SINGH : Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Mazagon Dock Limited has suffered an immense loss of money and reputation as a result of gross mismanagement and dishonest policies carried out by some of its top officials in the past few years;

(b) if so, what are details thereof, including the losses incurred in various projects, the action taken against each one of those officials and the steps taken to ensure that such things do not take place in future; and

(c) what are the details of the work sub-contracted by Mazagaon Dock Ltd. to foreign companies for oil and oil-related projects?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) Mazagaon Dock Limited suffered a net loss of Rs. 12.94 crores and Rs. 38.97 crores (including Rs. 19.61 crores on account of previous years adjustments) during 1984-85 and 1985-86 respectively. Losses were occasioned due to a host of factors like serious time and cost overruns, high cost of operations, unremunerative prices on certain projects, inadequate financial and accounting systems, as well as very unsatisfactory performance of top management of the Company. However nothing has come to the notice of the Government to establish that losses could be attributed to any dishonest policies on the part of any of the top official of the Company.

(b) The Company suffered losses largely on various projects in respect of activities relating to production transportation and installation of off shore structures/vessels. Action was taken against the top management of the Company by ordering immediate removal of the then Chairman-cum-Managing Director (Finance) in December 1985 and it was also decided to replace the then Director (Offshore) and Director (Shipbuilding). The Company has undertaken various remedial steps including revamping of the Financial Management System, build up of organisation, proper reporting and monitoring, reduction in capital expenditure measures aimed at reduction in costs an improvement in productivty. The Company has also set up a Task Force to carry out audit of its operations from the point of view of echno-economic viability of various projects and operations; review of investment decisions in respect of capital projects, diversification plans, programmes and formulation of guide lines for future growth.

(c) Various works related to offshare activities were subcontracted by the Company to foreign firms wherever considered necessary to provide technical back-up and due to nonavailability or limited availabulit vof indigeneuos capabilities. Type of work subcontracted includes fabrication of structures, transportation, installation hook-up and commissioning of offshore structures including pipe-laying riser installation burial lof pipelines; specialised support for operations like grouting, positioning surveys etc; technical and specialised assistance for activities like fabrication driving services, equipment, management and engineering services.